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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/717,576	11/21/2000	John F. Fairclough	TRO4-BK25	2130

7590 12/10/2002

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EXAMINER

WINTER, JOHN M

ART UNIT

PAPER NUMBER

3621

DATE MAILED: 12/10/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	Application No.	Applicant(s)	
	09/717,576	FAIRCLOUGH ET AL. <i>[Signature]</i>	
<b>Period for Reply</b>	Examiner	Art Unit	<i>[Signature]</i>
	John M Winter	3621	
<i>-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --</i>			
<b>A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.</b>			
<ul style="list-style-type: none"> <li>- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.</li> <li>- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.</li> <li>- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.</li> <li>- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).</li> <li>- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).</li> </ul>			
<b>Status</b>			
1) <input type="checkbox"/> Responsive to communication(s) filed on _____.			
2a) <input type="checkbox"/> This action is FINAL.		2b) <input checked="" type="checkbox"/> This action is non-final.	
3) <input type="checkbox"/> Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under <i>Ex parte Quayle</i> , 1935 C.D. 11, 453 O.G. 213.			
<b>Disposition of Claims</b>			
4) <input checked="" type="checkbox"/> Claim(s) <u>1-19</u> is/are pending in the application.			
4a) Of the above claim(s) _____ is/are withdrawn from consideration.			
5) <input type="checkbox"/> Claim(s) _____ is/are allowed.			
6) <input checked="" type="checkbox"/> Claim(s) <u>1-19</u> is/are rejected.			
7) <input type="checkbox"/> Claim(s) _____ is/are objected to.			
8) <input type="checkbox"/> Claim(s) _____ are subject to restriction and/or election requirement.			
<b>Application Papers</b>			
9) <input type="checkbox"/> The specification is objected to by the Examiner.			
10) <input type="checkbox"/> The drawing(s) filed on _____ is/are: a) <input type="checkbox"/> accepted or b) <input type="checkbox"/> objected to by the Examiner.			
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).			
11) <input type="checkbox"/> The proposed drawing correction filed on _____ is: a) <input type="checkbox"/> approved b) <input type="checkbox"/> disapproved by the Examiner.			
If approved, corrected drawings are required in reply to this Office action.			
12) <input type="checkbox"/> The oath or declaration is objected to by the Examiner.			
<b>Priority under 35 U.S.C. §§ 119 and 120</b>			
13) <input type="checkbox"/> Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).			
a) <input type="checkbox"/> All b) <input type="checkbox"/> Some * c) <input type="checkbox"/> None of:			
1. <input type="checkbox"/> Certified copies of the priority documents have been received.			
2. <input type="checkbox"/> Certified copies of the priority documents have been received in Application No. _____.			
3. <input type="checkbox"/> Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).			
* See the attached detailed Office action for a list of the certified copies not received.			
14) <input type="checkbox"/> Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).			
a) <input type="checkbox"/> The translation of the foreign language provisional application has been received.			
15) <input type="checkbox"/> Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.			
<b>Attachment(s)</b>			
1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)		4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____ .	
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)		5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)	
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ .		6) <input type="checkbox"/> Other: _____ .	

## **DETAILED ACTION**

Claims 1-19 have been examined

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in-

- (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effect under this subsection of a national application published under section 122(b) only if the international application designating the United States was published under Article 21(2)(a) of such treaty in the English language; or
- (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that a patent shall not be deemed filed in the United States for the purposes of this subsection based on the filing of an international application filed under the treaty defined in section 351(a).

Claim 12 is rejected under 35 U.S.C. 102(e) as being unpatentable over Pare, Jr. et al. (US Patent No 6,230,148).

As per claim 12,

Pare Jr. et al. ('148) discloses a method for settling and verifying checks over a network comprising the following steps:

connecting a client computer to a merchant server at a location remote from the client computer;(column 14, lines 34-42)

transmitting an order from the client computer to the merchant server; (figure 4)

selecting payment by check; (figure 6)

connecting the client computer to a check server;(column 13, lines 66-67; column 14, lines 1-19)

inputting customer data at the client computer; (column 13, line 64)

transmitting customer data from the client computer to the check server; (column 13, line 66-67; column 14, lines 1-2)

transmitting customer data from the check server to a check verification server; (column 15, line 1-7)

transmitting an approval from the check verification server to the check server (column 15, line 1-7)

settling a check by an ACH settlement system.(Figure 7).

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4, 13 and 14-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pare, Jr. et al. (US Patent No 6,230,148) in view of Carlson et al. (US Patent No 5,053,607)

As per claim 1,

Pare Jr. et al. ('148) discloses a method for printing and verifying checks over a network comprising the following steps:

connecting a client computer to a merchant server at a location remote from the client computer;(column 14, lines 34-42)

transmitting an order from the client computer to the merchant server; (figure 4)

selecting payment by check; (figure 6)

connecting the client computer to a check server;(column 13, lines 66-67; column 14, lines 1-19)

inputting customer data at the client computer; (column 13, line 64)

transmitting customer data from the client computer to the check server; (column 13, line 66-67; column 14, lines 1-2)

transmitting customer data from the check server to a check verification server; (column 15, line 1-7)

transmitting an approval from the check verification server to the check server (column 15, line 1-7)

Pare Jr. et al. ('148)does not explicitly disclose printing a check  
Carlson et al. ('607) discloses printing a check.(Figure 6) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Carlson et al. ('607) method in order to allow the seller to generate physical proof of the transaction.

As per claim 2,

Pare Jr. et al. ('148) discloses the method of Claim 1

Official Notice is taken that “confirming the order by a message from the merchant server to the client computer and the check verification server” is common and well known in prior art in reference to network transactions. It would have been obvious to one having ordinary skill in the art at the time the invention was made to confirm the order by a message from the merchant server to the client computer and the check verification server because this reduced the chance of the order being in error.

As per claim 3,

Pare Jr. et al. ('148) discloses the method of Claim 1  
where the network is the Internet.(Figure 4)

As per claim 4,

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Pare Jr. et al. ('148) discloses the method of Claim 1

Pare Jr. et al. ('148) does not explicitly disclose the check is printed by a secure printer connected to a check printing station at the remote location. Carlson et al. ('607) discloses the check is printed by a secure printer connected to a check printing station at the remote location (Column 10, lines 8-53; Figure 6) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Carlson et al. ('607) method in order to allow the seller to generate physical proof of the transaction.

As per claim 13

Pare Jr. et al. ('148) discloses the method of Claim 1

Official Notice is taken that "confirming the order by a message from the merchant server to the client computer and the check verification server" is common and well known in prior art in reference to network transactions. It would have been obvious to one having ordinary skill in the art at the time the invention was made to confirm the order by a message from the merchant server to the client computer and the check verification server because this reduced the chance of the order being in error.

As per claim 14

Pare Jr. et al. ('148) discloses the method of Claim 12

Pare Jr. et al. ('148) does not explicitly disclose the network is the ACH network. Hills et al. ('528) discloses the network is the ACH network. (Abstract) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Hills et al. ('528) method in order to utilize a well known and commercially viable system for check clearing.

As per claim 15

Pare Jr. et al. ('148) discloses the method of Claim 12

Pare Jr. et al. ('148) does not explicitly disclose storing the approval from the check verification server in a merchant file in the check server; downloading the merchant file from the check server to the ACH settlement system. Hills et al. ('528) discloses storing the approval from the check verification server in a merchant file in the check server; (Abstract) downloading the merchant file from the check server to the ACH settlement system (Column 12, lines 54-67) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Hills et al. ('528) method in order to protect the merchant from fraud caused by a customer with insufficient funds to cover the check.

Claim 5-11, and 16-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pare, Jr. et al. (US Patent No 6,230,148) in view of Carlson et al. (US Patent No 5,053,607) and further in view of Hills et al. (US Patent No 6,164,528)

As per claim 5,

Pare Jr. et al. ('148) discloses the method of Claim 1

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Pare Jr. et al. ('148) does not explicitly disclose storing the approval from the check verification server in a merchant file in the check server; downloading the merchant file from the check server to a check printing station. Hills et al. ('528) discloses storing the approval from the check verification server in a merchant file in the check server;(Abstract) downloading the merchant file from the check server to a check printing station (Column 12, lines 54-67) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Hills et al. ('528) method in order to protect the merchant from fraud caused by a customer with insufficient funds to cover the check.

As per claim 6,

Pare Jr. et al. ('148) discloses a method for printing and verifying checks over a network comprising the following steps:

connecting a client computer to a merchant server at a location remote from the client computer;(column 14, lines 34-42)

transmitting an order from the client computer to the merchant server; (figure 4)

selecting payment by check; (figure 6)

connecting the client computer to a check server;(column 13, lines 66-67; column 14, lines 1-19)

inputting customer data at the client computer; (column 13, line 64)

transmitting customer data from the client computer to the check server; (column 13, line 66-67; column 14, lines 1-2)

transmitting customer data from the check server to a check verification server; (column 15, line 1-7)

transmitting an approval from the check verification server to the check server (column 15, line 1-7)

Pare Jr. et al. ('148) does not explicitly disclose storing the approval from the check verification server in a merchant file in the check server; downloading the merchant file from the check server to a check printing station. Hills et al. ('528) discloses storing the approval from the check verification server in a merchant file in the check server;(Abstract) downloading the merchant file from the check server to a check printing station (Column 12, lines 54-67) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Hills et al. ('528) method in order to protect the merchant from fraud caused by a customer with insufficient funds to cover the check.

Pare Jr. et al. ('148) does not explicitly disclose printing a check with a secure printer connected to the check printing station at the location remote from the client computer.

Carlson et al. ('607) discloses printing a check.(Figure 6) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Carlson et al. ('607) method in order to allow the seller to generate physical proof of the transaction.

As per claim 7,

Pare Jr. et al. ('148) discloses the method of Claim 6

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Pare Jr. et al. ('148) does not explicitly disclose the secure printer is a magnetic ink character recognition-enabled printer. Carlson et al. ('607) discloses the secure printer is a magnetic ink character recognition-enabled printer. (column 10, lines 54-57) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Carlson et al. ('607) method in order to generate a paper check that is routable via standard bank routing procedures.

As per claim 8

Pare Jr. et al. ('148) discloses the method of Claim 6

Official Notice is taken that "confirming the order by a message from the merchant server to the client computer and the check verification server" is common and well known in prior art in reference to network transactions. It would have been obvious to one having ordinary skill in the art at the time the invention was made to confirm the order by a message from the merchant server to the client computer and the check verification server because this reduced the chance of the order being in error.

As per claim 9,

Pare Jr. et al. ('148) discloses the method of Claim 6  
where the network is the Internet.(Figure 4)

As per claim 10,

Pare Jr. et al. ('148) discloses the method of Claim 6  
where the approval comprises the customer data transmitted from the client computer to the checkserver. (column 15, line 1-7)

As per claim 11,

Pare Jr. et al. ('148) discloses the method of Claim 6

Official Notice is taken that "guarantee of payment to a merchant" is common and well known in prior art in reference to network transactions. It would have been obvious to one having ordinary skill in the art at the time the invention was made to guarantee payment to a merchant because a merchant would not utilize a system for commerce where payment for services rendered was not assured.

As per claim 16

Pare Jr. et al. ('148) discloses a system for settling and verifying checks over a network comprising

a client computer connected via a network to a merchant server; (column 14, lines 34-42)  
the merchant server is connected to a check printing station, a printer and a check server via a network; where by the client computer transmits an order to a merchant server at a location remote from the client computer (figure 6)

the client computer selects payment by check; (figure 6)

the client computer is connected to a check server; (column 13, lines 66-67; column 14, lines 1-19)

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customer data is input to the client computer and transmitted to the check server (column 13, line 64)

the customer data is transmitted from the check server to a check verification server; (column 15, line 1-7)

an approval is transmitted from the check verification server to the client computer and the check server; (column 15, line 1-7)

Pare Jr. et al. ('148) does not explicitly disclose the approval is stored in a merchant file in the check server; the merchantfile is downloaded from the check server to the check printing station. Hills et al. ('528) discloses the approval is stored in a merchant file in the check server; (Abstract) the merchantfile is downloaded from the check server to the check printing station; (Column 12, lines 54-67) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Hills et al. ('528) method in order to protect the merchant from fraud caused by a customer with insufficient funds to cover the check.

Pare Jr. et al. ('148)does not explicitly disclose a check is printed by the printer Carlson et al. ('607) discloses a check is printed by the printer.(Figure 6) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Carlson et al. ('607) method in order to allow the seller to generate physical proof of the transaction.

As per claim 17

Pare Jr. et al. ('148) discloses the method of Claim 16

Pare Jr. et al. ('148) does not explicitly disclose the network is the ACH network. Hills et al. ('528) discloses the network is the ACH network. (Abstract) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Hills et al. ('528) method in order to utilize a well known and commercially viable system for check clearing.

As per claim 19,

Pare Jr. et al. ('148) discloses the method of Claim 16

Pare Jr. et al. ('148) does not explicitly disclose the printer is a magnetic ink character recognition-enabled printer. Carlson et al. ('607) discloses the printer is a magnetic ink character recognition-enabled printer. (column 10, lines 54-57) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Carlson et al. ('607) method in order to generate a paper check that is routable via standard bank routing procedures

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to John M Winter whose telephone number is (703) 305-3971. The examiner can normally be reached on M-F 8:30-6, 1st Fridays off.

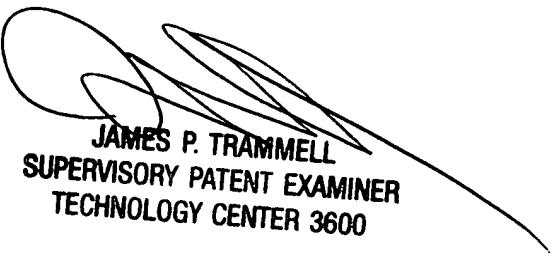
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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P Trammell can be reached on (703)305-9768. The fax phone numbers for the organization where this application or proceeding is assigned are (703) 305-7687 for regular communications and (703) 305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

JMW

December 3, 2002.



JAMES P. TRAMMELL  
SUPERVISORY PATENT EXAMINER  
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